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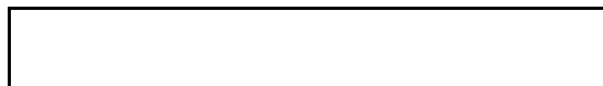
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BIWEEKLY REPORT

SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN UNDERDEVELOPED AREAS

EIC-WGR 1/97
26 October 1959

PREPARED BY THE WORKING GROUP
ON SINO-SOVIET BLOC ECONOMIC ACTIVITIES
IN UNDERDEVELOPED AREAS
ECONOMIC INTELLIGENCE COMMITTEE



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These biweekly reports on "Sino-Soviet Bloc Economic Activities in Underdeveloped Areas" are prepared and issued by a Working Group of the Economic Intelligence Committee, including representatives of the Departments of State, the Army, the Navy, the Air Force, Commerce, and Agriculture; the International Cooperation Administration; the Office of the Secretary of Defense; and the Central Intelligence Agency. Their purpose is to provide up-to-date factual information on significant developments in the economic relations of Sino-Soviet Bloc countries with underdeveloped countries of the Free World. The EIC-R-14 series of reports, under the same title, provide periodic summaries and analytical interpretations of these developments.

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Summary of Events

9 - 22 October 1959

Ceylon's growing dissatisfaction with its trade with Communist China may result in the abrogation of the 5-year Sino-Ceylonese rice-rubber agreement (1958-62).

A Soviet military aviation mission was scheduled to have arrived in Djakarta recently to assist the Indonesian air force in solving maintenance problems with Soviet Bloc aircraft. A series of recent aircraft accidents as well as dissatisfaction with Polish helicopters evidently precipitated an urgent call for additional Soviet technical assistance.

A Burmese mission is spending the month of October in the USSR, East Germany, Hungary, and Poland, purchasing consumer goods for delivery no later than December. The purchases will serve the dual purpose of helping to liquidate longstanding Bloc credits and of assisting with the government's campaign to supply the public with the largest possible amount of consumer goods before the Burmese election planned for 1960.

Morocco and Communist China have recently concluded a new trade agreement which calls for an expansion of trade. The pact provides for the export of Moroccan phosphates and trucks in exchange for green tea.

During the period from September 1956 to June 1959, more than 1,000 academic and about 1,700 technical students from underdeveloped countries will have studied in Bloc countries. During the 1956/57 academic year, 75 such academic students were in training in Bloc countries, and 2 years later, during the 1958/59 academic year, the number rose to 830.

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